

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF TEXAS
UNITED STATES COURTHOUSE
515 RUSK, ROOM 4202
HOUSTON, TEXAS 77002

CHAMBERS OF
WILLIAM GREENDYKE
CHIEF JUDGE

December 10, 2002

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Re: Southern District Attorney Advisory Committee on Revision of Local Bankruptcy Rules

Dear Counsel:

Thank you for agreeing to serve on the Southern District Attorney Advisory Committee on Revision of Local Bankruptcy Rules. Judges Karen Brown and Wesley Steen have been tasked with a comprehensive revision of the local rules. The purpose of this committee is to serve as a source of ideas for drafting the rules and to serve as a sounding board for drafts of the rules.

AUTHORITY GOVERNING LOCAL RULES

Rule 9029 of the Federal Rules of Bankruptcy Procedure (FRBP) authorizes the issuance of local rules. These requirements apply:

- The local rules must be consistent with the statutes and FRBP.
- The local rules must not duplicate the statutes or FRBP.
- The local rules must not prohibit or limit the use of the Official Forms.
- The local rules must conform to the numbering system of the Judicial Conference of the United States.

REGULATORY REQUIREMENTS FOR CONFECTING LOCAL RULES

Rule 83 of the Federal Rules of Civil Procedure (FRCP) prescribes the method for making local rules. Essentially, the court must give public notice of a proposed rule. Then the district court votes on the rule. Then the rule is submitted to the Circuit for approval.

EXPANDED PROCEDURES THAT WE WILL USE

The bankruptcy judges for the Southern District propose to expand (beyond the letter of

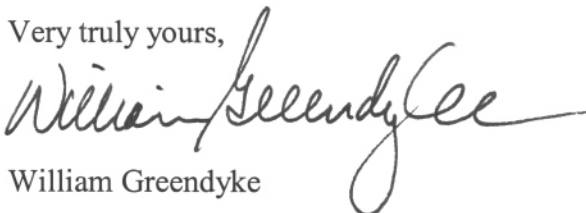
the law) the opportunity for input from the bar. That is the purpose of this committee. We do not anticipate the committee actually drafting or voting on the rules; we anticipate that the committee will serve as source of ideas and as a sounding board on the drafts that the court produces. Therefore, we intend to use the following procedure:

1. We will post a copy of this letter, outside of every courtroom and on the Court's website. By doing so, we are informing the bar about the rules-making process and encouraging them to contact one of you, committee members, with their suggestions for the rules.
2. We will have an organizational meeting on January 24, 2003, at 3:30 p.m. in the conference room on the 10th floor of the courthouse, 515 Rusk.
 - a. The purpose of this meeting is to get your input concerning what is right with the existing rules, what is wrong with the existing rules, and any other comments you have about the existing rules and how the revision should be the same or different from the existing rules.
 - b. About two weeks before the meeting, Judge Brown or Judge Steen will mail to you an agenda, and a list of questions or comments that you should consider before the meeting.
 - c. Before the meeting, please consult with your colleagues in the bar, and consider carefully any comments that you receive.
 - d. We realize that it would be quite expensive for attorneys outside Houston to attend this meeting in person. Please contact Judge Steen's judicial assistant (Jane Ekdall) if you would like to attend by telephone or by video.
3. At the close of that meeting, we will ask you to consider all of the issues raised, and to write a letter to the co-chairs with specific answers to questions raised, or specific proposals for the rules. Your written comments will be due February 14, 2003.
4. Judges Steen and Brown will then draft new local rules, taking your comments and suggestions into account.
5. Judges Brown and Steen will submit the draft to the May meeting of the bankruptcy judges.
6. You should receive the revised draft in July. We will then hold a meeting in August to receive your comments on the draft.
7. Judges Brown and Steen will revise the rules and present them to the September meeting of the bankruptcy judges.
8. The proposed rules will then begin to make their way to the public for comment and to the Circuit.

CONCLUSION

Thank you, once again for agreeing to serve. I know that this adds additional work to your busy schedule, but together we can probably improve our rules.

Very truly yours,



William Greendyke